

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:2985

ANSWERED ON:11.05.2006

CESS ON AIR TRAVEL

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Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether the Government has decided to levy a cess on the air travel to develop smaller airports across the country;
- (b) if so, the details thereof;
- (c) the total revenue expected to be generated by way of levy of cess per annum;
- (d) the time by which air travel cess is likely to be imposed and how it is proposed to be utilised;
- (e) whether the Government has made any assessment about the requirement of funds in the aviation sector in the next five years to develop world class infrastructure in the country; and
- (f) if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

(a),(b),(c) and (d): The matter is under consideration of the Government.

(e) and (f): Improvement/upgradation of airport infrastructure and ground facilities at airports is a continuous process and is taken up by Airports Authority of India (AAI) based on the traffic demand, availability of land, resources etc. However, Government has decided to restructure and modernize Delhi and Mumbai airports through joint venture route by public private participation. Government has also decided to develop and modernize city side of 35 non-metro airports in the country in phases to world class standards. The estimated expenditure for development of these airports is Rs. 4662 crores.